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THE Tobacco SITUATION

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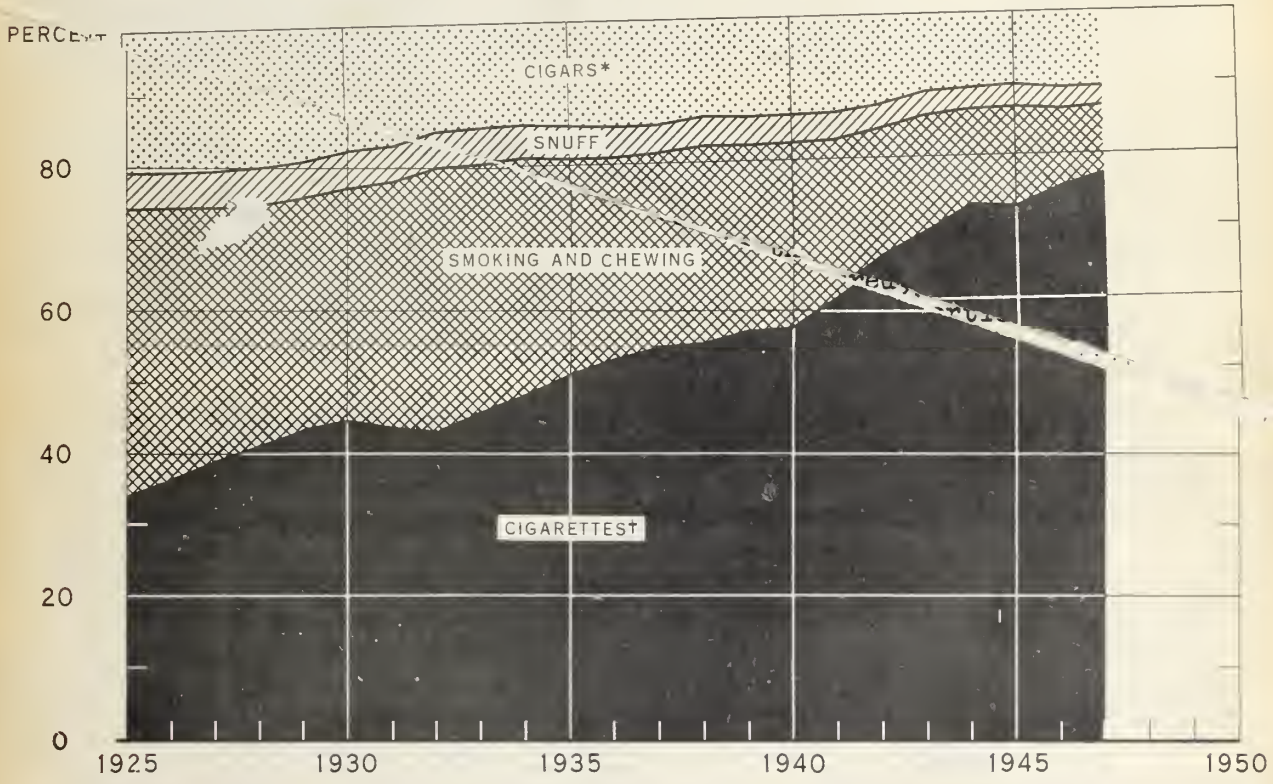
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

TS-43 — BAE — JANUARY 1948

PERCENTAGE DISTRIBUTION OF LEAF TOBACCO USED IN PRODUCTS, 1925-47



BASED ON INTERNAL REVENUE REPORTS OF UNSTEMMED EQUIVALENT LEAF USED 1925-45 AND PRELIMINARY ESTIMATES FOR 1946 AND 1947

*INCLUDES SMALL CIGARS †INCLUDES LARGE CIGARETTES

U. S. DEPARTMENT OF AGRICULTURE NEG. 46637 BUREAU OF AGRICULTURAL ECONOMICS

Cigarettes accounted for nearly 75 percent of all tobacco used in 1943-47 compared to around 40 percent in 1925-29. Total tobacco use in United States manufacturers increased from an annual average of 750 million pounds (unstemmed weight equivalent) in 1925-29 to around 1,300 million pounds in 1943-47. Cigarette use increased even more as quantities used for smoking, chewing, and cigars declined. The decline in the consumption of smoking and chewing accounts for a drop in the proportion of tobacco used in those products from 35 to less than 15 percent of the total. The smaller proportion of tobacco used in cigars in recent years results mostly from the expansion in total tobacco use, as actual quantities declined only moderately. Snuff though comprising a smaller percentage share of total tobacco use in recent years was actually manufactured in somewhat larger volume than in 1925-29.

STATISTICAL SUMMARY

Item	Unit or base period	1946 Sept.	1946 Oct.	1946 Nov.	1946 Dec.	1947 Sept.	1947 Oct.	1947 Nov.	1947 Dec.	Last data available as percent of a year earlier
Prices received at auctions	Cents per pound									
Flue-cured	"	48.1	51.6	43.6	-- 1/	40.9	42.2	38.7	35.2	---
Burley	"	---	---	---	40.9	---	---	---	48.8	119
Fire-cured	"	---	---	---	31.4	---	---	---	27.4	87
Dark air-cured	"	---	---	23.6	22.9	---	---	25.8	25.5	111
Parity Prices										
Flue-cured	"	38.5	39.8	41.0	41.2	46.3	46.5	46.9	47.9	116
Burley	"	37.3	38.6	39.7	40.0	44.8	45.1	45.5	46.4	116
Fire-cured	"	17.8	18.5	19.0	19.2	21.5	21.6	21.9	22.2	116
Dark air-cured	"	14.3	14.8	15.3	15.4	17.2	17.3	17.5	17.8	116
Index of Prices Paid	2/ 1919-28=100	131	136	140	141	158	159	161	163	116
	3/ 1934-38=100	168	174	179	180	202	203	205	209	116
Tax-paid Withdrawals										
Cigarettes, small 4/	Million	26,865	32,778	27,696	22,695	29,204	33,237	27,333	24,799	109
Cigars, large 4/	"	464	594	555	471	484	588	496	447	95
Chewing and Smoking	Million pounds	19	22	19	14	21	22	15	13	93
Snuff	"	3.1	3.8	3.3	3.3	4.0	4.2	3.0	2.5	76
Accumulated since Jan. 1										
Cigarettes, small 4/	Million	238,305	271,083	298,779	321,474	250,595	283,832	311,165	335,964	105
Cigars, large 4/	"	4,294	4,888	5,443	5,914	4,100	4,688	5,184	5,631	95
Chewing and Smoking	Million pounds	155	177	197	211	149	171	186	199	94
Snuff	"	29	33	36	40	30	34	37	39	98
Cigarettes, tax-free	Million	1,944	2,561	3,165	2,959	2,706	3,527	2,536		80
Accumulated since Jan. 1										
Tax-free	"	22,364	24,925	28,090	31,049	25,091	28,618	31,154		111
Tax-paid plus tax-free	"	260,669	296,008	326,869	352,523	275,686	312,450	342,319		105
Stocks, beginning of quarter 5/ (farm-sales weight)										
Flue-cured	Million pounds		1,495				1,639			110
Burley	"		853				941			110
Maryland	"		40				52			130
Fire-cured	"		105				143			136
Dark air-cured	"		60				73			122
Cigar, filler	"		129				122			95
Cigar, binder	"		104				125			120
Cigar, wrapper	"		17				19			112
Exports (farm-sales wt.)										
Flue-cured	Thousand pounds	50,036	51,353	99,279	62,226	38,055	57,500	37,424	44,570	72
Burley	"	2,449	4,184	2,898	2,739	8,764	4,338	3,498	1,457	53
Maryland	"	302	67	1,114	430	554	1,530	522	456	106
Fire-cured	"	1,979	3,214	2,729	2,721	4,286	2,199	3,308	2,416	89
Dark air-cured	"	991	561	482	406	1,460	501	805	442	109
Cigar	"	254	359	414	512	538	956	797	785	153
Total 6/	"	56,061	59,817	107,014	69,066	53,663	67,030	46,381	50,127	73
Accumulated since beginning of crop year										
Flue-cured	"	100,376	151,729	251,008	313,073	81,167	138,666	176,091	220,661	70
Burley	"	35,272	7/ 4,184	7,082	9,822	49,861	7/ 4,338	7,836	9,293	95
Maryland	"	5,055	5,122	6,236	6,666	4,072	5,603	6,125	6,581	99
Fire-cured	"	47,632	7/ 3,214	5,943	8,652	34,352	7/ 2,199	5,507	7,923	92
Dark air-cured	"	13,122	7/ 561	1,043	1,390	7,582	7/ 501	1,308	1,750	126
Cigar	"	6,756	7/ 359	773	1,285	5,597	7/ 956	1,754	2,539	198
Personal Income 8/	Bil. dol.	178	184	188	190	211	204	205		109
Index of Industrial Production 9/	1935-39=100	184	184	183	180	190	193	192	189	105
Percent of Labor Force Employed	Monthly	96.5	96.7	96.7	96.4	96.9	97.2	97.3		101

1/ Closed. 2/ All types except flue-cured, 11-14 and burley 31. 3/ Flue-cured types 11-14 and burley type 31.
4/ Includes Puerto Rico. 5/ Stocks for July 1, 1947, are preliminary. 6/ Includes a small amount of Perique.
7/ Beginning of crop year. 8/ Seasonally adjusted monthly totals at annual rate. 9/ Unadjusted.

TOBACCO SITUATION

Approved by the Outlook and Situation Board February 4, 1948

SUMMARY

Most tobacco growers will produce less tobacco in 1948 than last year because marketing quotas and acreage allotments are less. These marketing quotas and acreage allotments are less because supplies of tobacco on hand are larger and prospective exports are smaller than a year ago. For the quota types, the net reductions from last year in total acreage allotted are as follows: flue-cured, 27 percent; Burley, 7 percent; fire-cured, 25 percent; and dark air-cured, 35 percent. For non-quota types, suggested 1948 goals call for some decrease in type 32 (Maryland) from last year, and for no change in Virginia sun-cured and most cigar types. Some increases were suggested for Ohio filler and Georgia-Florida wrapper.

Prices for flue-cured during this past season averaged about 15 percent less than a year earlier, while those for Burley have been averaging about 20 percent more than last season. Prices for fire-cured and dark air-cured have been higher than a year ago, due in part to the higher level of support prices. Substantial quantities of flue-cured, fire-cured, and dark air-cured have been placed under government loans. However, the proportion of Burley received for loans was far below that of a year ago.

The level of price support is likely to be higher this year because of increases in the index of prices paid by farmers. Domestic use of leaf will probably remain high, mostly because of expected large cigarette production and consumption during 1948. There may be a small increase in consumption of cigars; but consumption of snuff and of chewing and smoking tobacco will probably be near the 1947 level.

Domestic production of each of the tobacco products in 1948 probably will be as large or larger than in 1947 but tobacco exports are likely to fall below last year when they were a fourth less than in 1946 and 35 percent less than the record year of 1919.

United States tobacco exports have been declining since mid-1947, chiefly because the shortage of dollars abroad caused many governments to cut down on their imports. The United Kingdom, the largest importer of United States tobacco, has entirely stopped purchases from the United States. Many other European countries have cut down on imports from the United States although Sweden and the Netherlands took more in the last half of 1947 than in the same period of 1946. In the Far East, China and India greatly reduced purchases of tobacco from the United States in the last half of 1947 while Australia and New Zealand took more.

Action on the European Recovery Program will have an important effect on foreign trade in tobacco. Many of the 16 nations in the program have taken large quantities of tobacco from the United States in the past. The European Recovery Program proposes that the United States send an average of 460 million pounds of tobacco for the fiscal years 1948-49 through 1951-52 to the participating countries, their dependent territories and to Western Germany. Exports to these countries totaled 520 million pounds in 1946 and an average of 313 million pounds in 1934-38, or about 25 percent of United States production in both periods.

(For release February 12, a.m.)

Situation and outlook for the various types of tobacco:

Flue-cured. Marketings of the 1947 crop are completed and prices received averaged about 41.0 cents, 15 percent below last season. Smaller purchases for exports was a major cause of the decline. Supplies of flue-cured are the highest on record due to the large carry-over and the near-record 1947 crop. Although domestic consumption will continue high in 1947-48, exports will be lower than in 1946-47. The national marketing quota announced for 1948 means a reduction of about 27 percent in allotted acreage. Even with this reduction, total supplies for the 1948-49 marketing year are likely to be above those for any year except 1947-48. About 16 percent of the 1947 crop was placed under government loans.

Burley. Prices for the 1947 crop have averaged about 48.5 cents per pound compared with 39.7 cents for the 1946 crop. Good quality tobacco, a large proportion of cigarette grades, and large disappearance during 1946-47 were major price factors. Burley exports during the year ending September 30 were a record. Though supplies for 1947-48 are slightly lower than for 1946-47, they are still large. The announced 1948 marketing quota will mean about 6 or 7 percent reduction in allotted acreage. Government loan stocks of 1946 burley are still substantial.

Maryland. Supplies are large. High cigarette consumption is expected to exert a favorable price influence when Maryland is marketed during 1948. However, exports are uncertain. A smaller 1948 acreage goal than that harvested in 1947 has been suggested.

Fire-cured and Dark Air-cured. Supplies of both are large. Both have been particularly hard hit by the decline in exports although a larger proportion of fire-cured than dark air-cured production normally is exported. Except for Virginia fire-cured, prices have been higher this year than last, primarily because of the higher support level. The average loan rate is 20 percent above last year which reflects the increase in the index of prices paid by farmers for family living and production items. Large proportions of the marketings of most of these types have been received for government loans. Substantial quantities of the 1946 crops were also placed under government loans. The 1948 marketing quotas call for a 35 percent decrease in fire-cured allotted acreage and a 25 percent decrease in dark air-cured (except type 37).

Cigar Filler, Binder, and Wrapper. Cigar filler supplies are slightly under a year ago while cigar binder supplies exceed last year by 9 percent. Domestic wrapper supplies are close to last year and continue to be of vital importance to cigar production as not enough imported wrappers will be available for some time. Connecticut Valley Havana Seed (type 52) sold at prices similar to last season. The other Connecticut Valley binder known as Broad Leaf (type 51) was damaged considerably by pole sweat.

TOBACCO PRODUCTS

Cigarettes

Cigarette production set a new record of approximately 370 billion in 1947, about 17 billion greater than 1946. All of the gain was in domestic consumption since exports of cigarettes in 1947 totaled about 22 billion, 2 billion less than in 1946. Cigarette consumption was boosted to a new high in 1947 by high employment and large consumer income . Since business activity is expected to continue at a high level, domestic cigarette consumption will probably continue large in the last quarter of 1947, consumption topped the last quarter of 1946 by 3 percent. New or increased State and local taxes on cigarettes have raised the prices to consumers in some areas. In New York State, for example, the State tax was increased 1 cent per package of 20 on January 1, 1948. However, higher taxes are not expected to affect consumption greatly.

Cigars

Cigar consumption in 1947 totaled 5,631 million compared with 5,914 million in 1946. The drop occurred despite the high level of personal income. Two probable causes for the decline are: first, the increase in cigar prices in the Fall of 1946 which probably helped reduce cigar consumption during much of the first half of 1947: and second, the decline in real incomes which may have caused some consumers to switch to cheaper forms of smoking or to curtail their consumption of cigars.

During the early Fall of 1947, cigar consumption increased somewhat over the earlier months of 1947. However, tax-paid withdrawals for the last quarter of 1947 were 5 percent below the last quarter of 1946. Cigar production and consumption during the first half of 1948 probably will exceed the same period of 1947 when most of the slump occurred. The index of wholesale prices of popular priced cigars has declined slightly from the peak reached in early 1947.

Smoking Tobacco

The manufacture of smoking tobacco in 1947 is estimated at 105 million pounds, almost the same as the 106 million pounds produced in 1946. Both years are far below the 1937-41 average of 198 million pounds. If real incomes continue to decline, some consumers may switch to pipes or roll-your-own cigarettes--cheaper forms of smoking. This may lead to some increases in the production of smoking tobacco in 1948. If employment continues high during 1948, however, the consumption of smoking tobacco is not likely to vary much from 1947.

Chewing Tobacco

Chewing tobacco production in 1947 is estimated at 96 million pounds, about 11 million below 1946. Both scrap chewing and plug dropped about 9 percent below 1946 while twist was about 12 percent lower. Fine-cut showed very little change in the last two years. Total chewing tobacco consumption in 1947 was substantially below the level of 119 million pounds in 1944. During 1948, chewing tobacco production and consumption are expected to be about the same as in 1947.

Snuff

Snuff consumption was between 39 and 40 million pounds in both 1947 and 1946. About the same amount is likely to be produced and consumed in 1948. Snuff consumption in the last 2 years was below the wartime peak of 43.6 million pounds but about 2 or 3 million pounds greater than in the late thirties.

EXPORTS 1/

The United States exported about 505 million pounds of unmanufactured tobacco during 1947 compared with 663 million pounds in 1946. The 1946 tobacco exports from this country were second only to the 777 million pounds exported in 1919. Despite the 24 percent drop from 1946 to 1947, United States exports in 1947 were 16 percent above the 1934-38 average. The declared value of 1947 tobacco exports was approximately 270 million dollars compared to 352 million dollars in 1946 and the 1934-38 average of 137 million.

The United Kingdom is the largest foreign customer for United States tobacco. Before the war, about one-half of our tobacco exports went to the United Kingdom. In 1946, the proportion was 55 percent; and in 1947 about 40 percent. Last April the United Kingdom sharply increased the duty on tobacco in order to curtail consumption thus reducing imports and conserving dwindling dollar resources. The allocations of dollar-exchange to tobacco importers were considerably reduced from the previous year. During the flue-cured marketing season which opened in July, British purchasers took considerably less leaf than the year before and in late October stopped purchases entirely. United States exports of tobacco to the United Kingdom during July-December 1947 were 41 percent less than in the same period in 1946 and 39 percent below the 1934-38 July-November average.

The importance of the United Kingdom as an outlet for United States tobacco exports is widely recognized. The importance of the United States as a source of tobacco for the United Kingdom is shown in the table below.

United Kingdom -- Total imports of tobacco

From	1938 11/12* Mil. lbs.	1946 Jan.-Nov. Mil. lbs.	1947 Jan.-Nov. Mil. lbs.
United States	236	332	187
British India	30	17	22
Southern Rhodesia	17	21	20
Canada	15	8	22
Nyasaland	12	9	11
Total (specified countries)	310	387	262
Grand total	317	391	276

* Monthly average in 1938 multiplied by 11.

1/ Figures in this exports section are on declared weight basis.

The United States supplied 74 percent of United Kingdom tobacco in 1938 and 85 percent in 1946. In 1947, the United States proportion dropped to 68 percent. Larger amounts were imported in 1947 than in 1938 from Canada and Southern Rhodesia, but these increases were small relative to the total. The declared value of tobacco per pound imported by the United Kingdom increased by 138 percent from 1938 to 1947. Percentage increases in value per pound by country of source were United States, 123 percent; British India, 180 percent; Southern Rhodesia, 218 percent; Canada, 94 percent; and Nyasaland, 164 percent.

British tobacco consumption in May-September 1947, after costs of tobacco products had been increased by the sharp advance in duty, was one-fifth lower than the same period of 1946. Cigarettes, the principal tobacco product consumed by British smokers, increased from about 47 cents to about 67 cents per package of 20 in mid-April 1947. However, the monthly average consumption during May-September 1947 was about 5 percent above the 12 months average in 1938. British stocks of tobacco, though above the low levels of the war, are still well below those of the late thirties.

The second ranking foreign customer for United States tobacco in 1947 was the Netherlands. During July-December 1947, United States tobacco exports to this country were 50 percent above the same period last year and more than 3-1/2 times those of the same period in 1934-38. Before the war, the Netherlands got large quantities from the Netherlands Indies; but because of unsettled conditions since the war, this trade has not been resumed to any major extent.

Other important European customers took less tobacco in the last half of 1947 than in the same period of 1946. Belgium and Switzerland took 40 to 50 percent less; Portugal about 35 percent less; France and Norway 25 to 30 percent less; Denmark and Eire, 5 to 10 percent less. Sweden took about 20 percent more than in July-December 1946.

Important non-European countries which import United States tobacco are China, India, Australia, and New Zealand. Exports to China during July-December were about one-quarter of those in the same period last year and only about one-half of the prewar average. Prewar, China was the second-ranking importer of United States tobacco. During July-December 1947, India took less than one-third as much tobacco as in the same period of 1946. On the other hand, both Australia and New Zealand took substantially larger quantities in the last half of 1947 than in the same period of 1946.

United States exports of tobacco in 1948 are likely to be below 1947. The stringent restrictions on imports by several countries probably will continue for an indeterminate period largely because of lack of dollars. If the proposed European Recovery Program becomes effective this situation will be eased. Several of the countries in the group to be affected by the Program have been major importers of United States tobacco. Western Germany, for instance, took substantial quantities of United States tobacco until the mid-thirties when the drive for self-sufficiency under the Nazi regime cut it sharply. Prior to the war, European nations got a considerable quantity of tobacco from the Netherlands East Indies. Exports from this area dropped sharply after the war began and are not likely to increase much in the next 2 or 3 years.

Table 1.- United States exports unmanufactured tobacco by types and to principal importing countries July-Dec.; 1934-38 average; 1946; 1947 and percentage comparisons

(declared weight)

Types and countries	July-December			July-Dec. '47 as percentage of July-Dec.		December		
	July-Dec. 1934-38 average	1946	1947 1/	'34-38 av.	1946	1934-38 average	1946	1947
	Mil.lb.	Mil.lb.	Mil.lb.	Percent	Percent	Mil. lb.	Mil.lb.	Mil.lb.
Flue-cured	216.6	272.7	192.2	89	70	36.8	54.2	38.8
Burley	5.5	19.8	25.8	469	130	.9	2.4	1.3
Maryland	2.2	3.7	4.1	186	111	.4	.4	.4
Virginia fire-cured	4.7	3.9	4.3	91	110	1.1	.6	.5
Ky.-Tenn. fire-cured	19.4	14.7	10.8	56	73	2.6	1.7	1.6
One Sucker	.5	3.2	1.4	280	44	.1	.1	---
Green River	.9	.9	.6	67	67	.1	.1	.1
Bl. fat, etc.	4.6	2.7	2.8	61	104	.7	.2	.3
Cigar	.8	2.0	3.7	462	185	.1	.5	.7
Perique 2/	---	---	---	---	---	---	---	---
Stems, tr. scrap	9.5	12.6	5.6	59	44	2.5	.6	1.7
Tot. unmfg.	264.7	336.2	251.3	95	75	45.3	60.8	45.4
Countries of destination								
United Kingdom	159.9	164.0	97.1	61.	59	25.3	18.9	14.1
France	1.4	13.0	9.2	657	71	.9	1.0	---
Belgium & Luxembourg	8.4	19.3	10.0	119	52	1.5	3.5	2.0
Netherlands	8.3	21.2	31.9	384	150	.9	13.3	6.2
Germany	6.7	---	3.4	51	---	1.4	---	1.8
Portugal	2.3	2.2	1.4	61	64	.4	.5	.2
Denmark	2.9	3.3	3.1	107	94	.5	.1	.5
Eire	4.8	10.8	9.9	206	92	.7	2.7	4.3
Switzerland	2.0	9.3	5.5	275	59	.4	1.2	1.3
Norway	2.9	5.2	3.9	134	75	.4	1.0	.1
Sweden	5.1	6.9	8.2	161	119	2.0	3.0	1.8
Italy	.6	---	12.0	2,000	---	---	---	---
China	22.9	44.7	11.6	51	26	4.9	7.1	4.8
Australia	8.8	1.4	10.8	123	771	1.3	1.2	4.2
India	1.5	5.5	1.6	107	29	.3	2.0	.1
New Zealand	1.5	.1	2.4	160	2,400	.5	---	.2
Other countries	25.3	29.3	29.3	116	100	3.9	5.3	3.8
Total	264.7	336.2	251.3	95	75	45.3	60.8	45.4

1/ Preliminary.

2/ Perique exports in pounds for specified periods are as follows:
July-December--1934-38 average, 40,000; 1946, 91,000; 1947, 40,000.
December--1934-38, 4,000; 1946, 1[illegible],000; 1947, 1,000.

The estimated import requirements for United States tobacco of countries (including dependent territories) included in the proposed European Recovery Program now before Congress are:

	Million pounds
3 months--April 1-June 30, 1948	112
1948-49	452
1949-50	467
1950-51	459
1951-52	461

These import requirements may be compared with United States total exports to European Recovery Program countries in previous years:

	Million pounds
1934-38 average	313
1945	397
1946	520
1947 (preliminary)	371

The 1934-38 average included 13 million pounds for Germany, but very little tobacco was exported to Germany in 1947 and none in 1946.

FLUE-CURED TYPES 11-14

1947 Fire-Cured Prices Below Last Season

Flue-cured prices averaged about 41.0 cents per pound for the 1947 season compared with 46.3 cents in 1946. The average loan rate (90 percent of the applicable parity) was 40.0 cents per pound.

The smaller export demand was the most important single factor affecting prices during the 1947 marketing season. The largest foreign taker of flue-cured, the United Kingdom, purchased smaller quantities than usual and in late October withdrew from the market entirely. Prices for the individual flue-cured types, this season and last, are as follows:

	1946-47	1947-48	Percent decline
	Cents	Cents	
Georgia-Florida, type 14	42.8	37.6	12
Border-Belt, type 13	49.4	41.8	15
Eastern North Carolina, type 12	51.7	43.0	17
Middle Belt, type 11b	46.3	42.2	9
Old Belt, type 11a	43.4	38.3	12

The Georgia-Florida flue-cured (type 14) sales hit a record volume and the quality of the tobacco was generally high. The South Carolina and Border North Carolina crop (type 13) was smaller and the quality inferior to last year. The volume of sales in the Eastern North Carolina (type 12) markets exceeded last year slightly and quality was about the same. Middle Belt flue-cured (type 11b) sales were below those of 1946 and had a larger percentage of lower grades. Old Belt flue-cured (type 11a) sales volume was around one-fifth less than last season.

The price support program played a major role in the marketing of the 1947 flue-cured crop. The flue-cured Stabilization Corporation received approximately 233 million pounds against government loans. This was much more than during the 1946 crop marketing season when receipts were small until near the end of the season. The impending decline in export demand became apparent after the crop was well advanced. Smaller takings for export was to a considerable extent responsible for large quantities being placed under government loans.

Cash receipts from the 1947 flue-cured crop are estimated at around 535 million dollars, about 18 percent below the 1946 figure of 653 million dollars.

Larger Supplies of Flue-Cured

Supplies of flue-cured tobacco are the highest of record. Production in 1947 was second only to the 1946 record while stocks at the beginning of the 1947-48 marketing year were 18 percent above those of the preceding year. The total supply for the 1947-48 marketing year is 2,618 million pounds, 119 million pounds larger than 1946-47 and the largest of record.

Total disappearance from July 1946 to June 1947 was high because domestic consumption was large and exports were a record. During the first half of the 1947-48 marketing year, domestic consumption continued high because cigarette production and consumption were at peak levels. This high level is expected to continue during 1948. Exports of flue-cured in July-December 1947 were 221 million pounds (farm-sales weight), or 30 percent below the same period in 1946. Total exports for 1947-48 will be substantially below the 1946-47 level of 551 million pounds (farm-sales weight).

Total disappearance of flue-cured in 1947-48 probably will range from 1,050 to 1,100 million pounds compared with 1,213 during the 1946-47 marketing year. This would leave from 1,520 to 1,570 million pounds in stock next July 1 compared with 1,287 on July 1, 1947. The record carry-over is 1,693 million pounds in July 1941.

The national marketing quota for flue-cured tobacco in 1948 was set at 9[illegible] million pounds. This means about a 21 percent reduction in total allotted acreage. If tobacco production should approximate the quota, the total supply for the 1947-48 marketing year would be 2,475 to 2,525 million pounds compared with 2,518 for the current year. This would be sufficient to meet domestic and export demands, even if export prospects were improved by programs for economic aid to foreign countries.

The 1948 total acreage allotment is 999,000. This is less than the harvested acreage in any year since 1943 and only 5 percent larger than the 1938-38 average. During 1934-38, however, yields per acre averaged 856 pounds, or 25 percent less than the average of 1,071 pounds for 1943-47. Even though flue-cured acreage will be smaller in 1948, it will probably receive better care. Fertilizer application is likely to be similar to that of recent years. The best land will be utilized. If the weather is average, production may exceed the 9[illegible] million pound quota. The support price will probably be above that of last season since the parity index in January 1948 was 9 percent above last June and is not likely to decline much in the next few months.

Table 2.- Flue-cured tobacco: Domestic supplies, disappearance and season average price, average 1934-38, annual 1939-47 1/

Year	Production	Stocks July 1	Total supply	Disappearance year beginning July 1	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Average 1934-38	741.0	8[illegible].9	1,[illegible]5.9	704.3	[illegible].9
1939	1,170.9	946.3	2,117.[illegible]	707.5	14.9
1940	759.9	1,409.7	2,169.6	576.7	16.4
1941	[illegible].6	1,[illegible].9	2,[illegible].5	783.9	[illegible].1
1942	811.7	1,[illegible].5	2,[illegible].2	892.4	38.1
1943	790.2	1,378.8	2,169.0	980.2	40.2
1944	1,087.3	1,188.8	2,276.1	1,149.8	42.1
1945	1,173.5	1,126.3	2,299.8	1,152.4	43.6
1946 2/	1,352.0	1,147.4	2,[illegible].4	1,212.6	48.3
1947 2/	1,331.3	1,286.8	2,618.1		

1/ Farm-sales weight.
2/ Preliminary.

BURLEY

Burley Prices About One-fifth Above Last Year

A strong demand for Burley pushed prices of December sales to an average of 48.8 cents per pound compared with 40.8 for December 1946. After the holidays, prices were a little higher but dropped during the last half of January. Auction prices averaged 48.2 cents compared with 40.2 cents for January a year ago. The generally high quality of the tobacco and the larger proportion of cigarette grades contributed to the higher prices. In addition, the 1947 crop was considerably smaller than the 1946 crop and the national marketing quota for 1948 indicates a small reduction in acreage. The 1947 average loan rate is 40.3 cents per pound, 20 percent above the 1946 average loan rate of 33.6 cents. The increase in the support level reflects the increase in the index of prices paid by farmers from September 1946 to September 1947.

Much less Burley has been placed under government loans than during the 1946 marketing season. The quantity delivered to Associations to be placed under government loans was only about 6 1/2 percent of marketings though January when about 90 percent of the crop had been marketed. Last season, almost 25 percent of the 1946 crop was placed under government loan.

Table 3.- Burley tobacco: Domestic supplies, disappearance and season average price, average 1934-38, annual 1939-47 1/

Year	Production	Stocks October 1	Total supply	Disappearance year beginning October 1	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Average 1934-38	287.2	700.9	988.1	314.5	22.2
1939	395.3	684.0	1,079.3	317.1	17.3
1940	376.6	762.2	1,138.8	340.8	16.2
1941	336.9	798.0	1,134.9	379.6	20.2
1942	343.5	755.3	1,098.8	412.8	41.8
1943	392.1	686.0	1,078.1	426.9	45.6
1944	590.6	651.2	1,241.8	482.8	44.0
1945	577.2	759.0	1,336.2	482.9	39.4
1946 2/	614.0	853.3	1,467.3	526.5	39.7
1947 2/	518.6	940.8	1,459.4		

1/ Farm-sales weight.
2/ Preliminary.

Burley Supplies About Same as Last Year

Burley supplies for 1947-48 totaled 1,459 million pounds compared with 1,467 million pounds last year. Production in 1947 was 518 million pounds, almost 100 million less than the previous year, but the carry-over of 941 million pounds was the highest in history and nearly 90 million pounds above the 1946 record.

Disappearance of Burley during the year ending September 30 was a record. About 477 million pounds were consumed in the United States, about 30 million pounds more than in 1946. Exports of Burley have made striking gains over prewar, reaching 50 million pounds (farm-sales weight) during the 1946-47 marketing year compared with 35 million in 1945-46 and the 1934-38 average of 12-1/2 million. A large proportion of Burley is used in cigarettes and as long as cigarette production and consumption stays large, domestic Burley use will stay high. Exports in the first 3 months of the 1947-48 marketing year were about 5 percent below the same period 1946-47 and will probably be lower than 1946-47 for the 1947-48 marketing year as a whole. If economic aid to Europe is continued, Burley export prospects will be somewhat better. The increase in Burley exports in the past year indicates greater interest on the part of foreign countries in the production of the blended cigarette, which is common in this country.

If total Burley disappearance during 1947-48 is between 510 to 535 million pounds, carry-over on October 1, 1948, would be from about 925 to 950 million pounds--not greatly different from the record of 941 million pounds on October 1, 1947. The national marketing quota for 1948 is 474 million pounds. If this amount is produced, total supplies of Burley for 1948-49 will be from about 1,400 to 1,425 million pounds, a little below each of the last 2 years but above every other year.

Total allotted acreage of Burley will be about 438,000 compared to 469,000 in 1947. However, harvested acreage generally runs somewhat below the allotments. In 1947, for instance, the Crop Reporting Board estimated 419,000 were harvested. Yields per acre during 1943-47 averaged 1,159 pounds, almost 42 percent above the 1934-38 annual average. It is likely that generous fertilizer application and intensive cultural practices will result in continued high per acre yields if the weather is average. Since the Burley loan-rate will be based on the September index of prices paid it will not vary greatly from that of the 1947 crop season.

MARYLAND TYPE 32

Maryland Carry-over High

October 1947 stocks of Maryland tobacco owned by dealers and manufacturers were 30 percent larger than in October 1946. It is estimated that these stocks were around 43 million pounds (farm-sales weight) on January 1, 10 or 11 million

above January a year ago. Production in 1947 is now estimated at 38 million pounds compared with the high of 47 million pounds in 1946. Total supplies for 1948, including that part of the 1946 crop still held by farmers are around 84 million pounds, about 5 percent above 1947.

Table 4. - Maryland tobacco: Domestic supplies, disappearance, and season average prices, average 1934-38 annual 1939-47 1/

Year	Production	Stocks January 1 of following year	Total supply	Disappearance : year beginning: Jan. 1 of the : following yr.	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Average 1934-38	27.5	38.4	65.9	27.5	19.7
1939	32.8	36.3	69.1	25.9	21.1
1940	32.6	43.2	75.8	30.8	33.0
1941	31.2	45.0	76.2	28.5	30.1
1942	28.1	47.7	75.8	32.0	56.5
1943	20.8	43.8	64.6	27.0	45.3
1944	38.2	37.6	75.8	29.3	55.5
1945	18.4	46.5	64.9	32.5	57.0
1946 2/	47.0	32.4	79.4		44.3
1947 2/	38.4				

1/ Farm-sales weight.
2/ Preliminary.

Maryland tobacco disappearance during 1947 is estimated at 34 million pounds. Of this, 7 million pounds were exported and about 27 million pounds were consumed in the United States. Exports were nearly the same as last year, but domestic consumption is estimated at a little higher. Maryland tobacco consumption is largely in cigarettes, and the record of cigarette manufacture in 1947 contributed to larger than prewar quantities of Maryland used. Cigarette production and consumption is expected to continue high. Most of the 1947 Maryland crop will be marketed from April to August 1948.

The 1946 crop averaged 44.3 cents per pound, about one-fifth lower than the average price received in both 1944 and 1945.

The United States Department of Agriculture has suggested a 1948 Maryland tobacco goal of 40,800 acres. This is 15 percent below the 1947 harvested acreage.

FIRE-CURED TYPES 21-24

Kentucky-Tennessee Fired-Cured Prices Above Last Year; Virginia Fire-Cured Lower

Sales of Eastern District fire-cured (type 22) averaged 31.1 cents per pound through January, 13 percent above January 1946. In the same period, Western District fire-cured (type 23) averaged 27.4 cents per pound, 20 percent above a year earlier. Marketings during the whole month of January were hampered by poor handling weather. A very large proportion of sales of both types have been delivered for Government loans.

Virginia fire-cured (type 21) auction markets opened in December. The average price for December sales was 27.4 cents per pound, 12 percent below December 1946. Prices improved following the holidays and averaged 29.5 cents per pound for sales through January 30, only 4 percent below the January average last year. Through January a little more than one-third of the marketings went into Government loans.

The 1947 average support price for all fire-cured is 75 percent of the loan rate for Burley or 30.2 cents per pound.

Fire-Cured Carry-Over Larger as Exports Decline

Supplies of fire-cured tobacco (types 21-24) for 1947-48 totaled 235 million pounds, about 20 million pounds above a year ago. Although production was smaller in 1947 than 1946, it was the largest of any other year since 1940. Carry-over on October 1, 1947, was substantially above the low point reached in the previous year. The increase in stocks more than offset the decrease in production. In the year ending September 30, 1947, domestic consumption of fire-cured was estimated at about 37 million pounds, about the same as the preceding year but substantially below the prewar average. Exports in 1946-47 declined to about 34 million pounds (farm-sales weight) compared with 48 million pounds in 1945-46 and about 70 million pounds annually in 1934-38.

In the United States, fire-cured is mostly used in snuff, manufacture of which is expected to remain at about the 1947 level during 1948. Exports of fire-cured in October-December, the first 3 months of the 1947-48 marketing year, were 9 percent below the same months of 1946-47. Before the war, fire-cured ranked second among tobacco exports but in 1946-47 dropped to third place. Most of the exports of fire-cured go to the Western European Countries, therefore, the speed of economic recovery in Europe will affect future fire-cured exports.

The 1948 national marketing quota for fire-cured tobacco is 55.7 million pounds. This means a reduction of about 35 percent in individual farm allotments. A large proportion of marketings to date have gone into Government loans. The 1948 support level will be 75 percent of the average Burley loan rate.

DARK AIR-CURED TYPES 35-37

Dark Air-Cured Prices Above Last Season

One Sucker (type 35) auction prices averaged 25.8 cents per pound through January 30 compared with 23.1 cents for about the same period during the preceding season. Average prices declined from November to December but gained after the holidays. Before the holidays, around 45 percent of marketings was received for Government loans. A smaller proportion has gone into Government loans since the holidays.

Green River (type 36) auction prices averaged 25.5 cents per pound for season sales through January compared with 22.8 for a similar period last season. Average prices have been quite steady although sales for the first weeks of January were about 1/2 cent per pound higher than just before the holidays. About 45 percent of the season's marketings through January were delivered for Government loans.

Virginia sun-cured (type 37) prices averaged 28.7 cents per pound through January 30 compared with 26.1 cents for the similar period last season. After the holidays, prices were about 3 cents higher than in mid-December. A small proportion was received for Government loans.

The average loan rate for 1947 dark air-cured tobacco is 26.9 cents per pound. This is computed at 66 2/3 percent of the Burley rate and is one-fifth above the 1946 support level for these types.

Dark Air-Cured Supplies Largest Since Early Thirties

Total supplies of dark air-cured tobacco (types 35-37) for 1947-48 are nearly 114 million pounds compared to 109 million for 1946-47 and the 1934-38 average of 98 million. Carry-over on October 1, the beginning of the 1947-48 marketing year, was 73 million pounds, the highest since 1941 and nearly 13 million pounds more than a year earlier. The increase in stocks more than offset the decrease of about 8 million pounds in production. Disappearance of dark air-cured tobacco in the year ending September 30, 1947, was about 36.4 million pounds, 7.2 million pounds less than in the preceding 12 months. Most of the decline resulted from a drop of 5-1/2 million pounds (farm-sales weight) in exports, but domestic consumption also fell off 1.7 million pounds. Domestic use of dark air-cured tobacco is largely in chewing. Consumption of chewing tobacco dropped about 11 percent from 1946 to 1947. Domestic use of dark air-cured is expected to continue at about the same rate in 1947-48 as in 1946-47. Before the war, exports made up about 30 percent of total disappearance but were only 20 percent of the total in 1946-47. In the first 3 months of the 1947-48 marketing year (October-December), exports were about 29 percent higher than the same months of the previous year. All of this increase was due to larger shipments of Black fat, Dark African, and Water Baler.

The 1948 national marketing quota of 21.8 million pounds for dark air-cured (types 35-36) will mean a 25 percent reduction in individual farm allotments. Support prices for the 1948 crop will be two-thirds those for Burley.

The United States Department of Agriculture suggested a 1948 goal of 2,800 acres for the non-quota dark air-cured type (Virginia sun-cured, type 37). This is the same as 1947 harvested acreage which was 26 percent lower than 1946.

Table 5.- Dark tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-47 1/

Year	Production	Stocks October 1	Total supply	Disappearance: year beginning October 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
	Fire-cured				
Total types 21-24					
Average					
1934-38	110.2	194.2	304.4	123.0	10.2
1939	99.3	136.2	235.5	93.9	10.6
1940	106.5	141.6	248.1	64.2	9.5
1941	69.7	183.9	253.6	69.0	14.1
1942	71.5	184.6	256.1	76.3	17.1
1943	64.9	179.8	244.7	71.2	23.4
1944	66.1	173.5	239.6	107.8	24.5
1945	58.3	131.8	190.1	85.2	31.5
1946 2/	109.8	104.9	214.7	71.5	26.0
1947 2/	91.3	143.2	234.5		
	Dark air-cured				
Total types 35-37					
Average					
1934-38	35.5	62.8	98.3	39.0	9.4
1939	44.2	56.1	100.3	34.7	7.3
1940	42.5	65.6	108.1	33.6	7.7
1941	31.5	74.5	106.0	42.0	12.0
1942	35.2	64.0	99.2	33.9	15.2
1943	30.0	65.3	95.3	37.6	27.2
1944	44.9	57.7	102.6	42.2	23.3
1945	43.6	60.4	104.0	43.6	25.2
1946 2/	48.7	60.4	109.1	36.4	22.5
1947 2/	41.0	72.7	113.7		

1/ Farm-sales weight.
2/ Preliminary.

CIGAR TYPES 41-62

Domestic Filler Supplies Slightly Lower

Total supplies of domestic filler (types 41-44) for 1947-48 are 190 million pounds, about 3 million pounds below those for 1946-47 and the lowest on record. Carry-over on October 1, 1947, was at a record low because of the heavy disappearance during 1946-47. In the year ending September 30, 1947, 71 million pounds of domestic filler were used, 11 percent more than in the preceding year. Well-known brands of cigars using large quantities of these types had a high volume of sales, even though total cigar consumption dropped during the first half of 1947. The Pennsylvania Seedleaf (type 41) crop in 1947 is estimated at 60 million pounds, 3 percent above 1946 and the largest since 1920. Production of Ohio filler (types 42-44) was 7-1/2 million pounds, the largest since 1942 but far below the 12 to 17 million pounds produced annually in 1933-42. Stocks of the Ohio types have declined steadily and are at a record low. The United States Department of Agriculture has suggested a 25 percent increase in acreage. The 1946 season average price for Pennsylvania Seedleaf was 32.5 cents per pound, and the average for the Ohio filler types was 36.0 cents per pound. The Pennsylvania price was 1-1/2 cents lower than in 1945 but that for the Ohio types was 2 cents higher. Support prices are well below these levels.

Stocks of Puerto Rican filler, (type 46) in the United States on October 1, 1947, were 42.3 million pounds (farm-sales weight) slightly larger than the preceding October. Stocks in Puerto Rico on October 1 were 31.7 million pounds compared to 36.7 million the previous October. Puerto Rico tobacco growers were benefited by price support operations in connection with the 1946-47 crop. The loan level for the 1947-48 crop is 31.5 cents per pound compared with 26.1 cents for the 1946-47 crop. Puerto Rican tobacco is being produced under quotas in accordance with legislation enacted by the Puerto Rican legislature in 1946.

Total Binder Supplies Larger Than Last Year

The total supply of binder tobacco (types 51-56) for 1947-48 is 190 million pounds compared with 174 million last year. The largest increase among individual types is in the Northern Wisconsin (type 55) and is due entirely to the larger carry-over on October 1. The October stocks of Connecticut Valley Broadleaf (type 51) exceeded those of the previous year by 18 percent while those for Connecticut Valley Havana Seed (type 52) were slightly larger. The 1947 production of type 51 was nearly the same as in 1946, but type 52 was larger. The 1947-48 supply of Southern Wisconsin (type 54) is slightly larger than last year because the 28 percent reduction in output in 1947 was more than offset by the increase in carry-over at the beginning of the 1947-48 marketing year.

Table 6.- Cigar tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-47 1/

Year and type	Production	Stocks October 1 2/	Total supply	Disappearance year beginning October 1, 2/	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Total filler types 41-44 3/					
Average 1934-38	48.2	158.8	207.0	53.8	10.4
1939	62.4	139.4	201.8	53.1	11.7
1940	64.7	148.7	213.4	56.4	11.9
1941	71.2	157.0	228.2	61.4	12.4
1942	53.8	166.8	220.6	67.0	13.2
1943	47.0	153.6	200.6	55.2	18.6
1944	58.8	145.4	204.2	61.3	19.5
1945	49.9	142.9	192.8	64.1	34.0
1946 4/	64.4	128.7	193.1	71.0	32.8
1947 4/	67.6	122.1	189.7		
Total binder types 51-56					
Average 1934-38	41.8	165.1	206.9	60.5	12.5
1939	63.3	116.6	179.9	45.0	16.6
1940	67.9	134.9	202.8	66.1	14.5
1941	61.6	136.7	198.3	60.4	16.9
1942	55.1	137.9	193.0	66.3	20.3
1943	51.0	126.7	177.7	69.2	30.3
1944	57.2	108.5	165.7	63.4	30.9
1945	62.1	102.3	164.4	60.9	47.7
1946 4/	70.9	103.5	174.4	49.8	51.8
1947 4/	65.9	124.6	190.5		
Total wrapper types 61-62					
Average 1934-38	8.4	11.8	20.2	9.3	78.3
1939	11.4	10.1	21.5	7.9	67.7
1940	9.5	13.6	23.1	10.4	77.6
1941	10.1	12.7	22.8	9.6	98.4
1942	9.2	13.2	22.4	9.4	132.1
1943	10.0	13.0	23.0	8.7	168.0
1944	11.3	14.3	25.6	10.9	196.0
1945	11.2	14.7	25.9	12.3	197.0
1946 4/	12.4	13.6	26.0	12.6	234.0
1947 4/	13.2	13.4	26.6		

1/ Farm-sales weight.
2/ Stocks and disappearance for types 56, 61, and 62 are as of July 1.
3/ A small quantity of type 45 for 1939 and 1940 not included.
4/ Preliminary.

Substantial quantities of binder tobacco are used in the manufacture of scrap chewing. In January-October 1947, scrap chewing manufacture was about 9 percent lower than in the same period 1946. No marked change is expected in 1948, but cigar production may increase a little.

The United States Department of Agriculture has suggested to States that 1948 acreage goals for binder types be the same as the 1947 harvested acreages.

Prices received by growers of Havana Seed (type 52) were near or slightly above last season's average of 69.0 cents per pound. The average price for the 1947 Broadleaf (type 51) crop is likely to be below last season's average of 73.9 cents per pound because of the lower price of grades damaged by pole sweat. Early season prices of Northern Wisconsin (type 54) were reported at near last season's levels.

Cigar Wrapper

Cigar wrapper (types 61-62) supplies for 1947-48 are 26.7 million pounds, 0.6 million pounds above those for 1946-47. Stocks of imported wrapper (Sumatra and Java) on October 1 were 1.9 million pounds (unstemmed weight) compared to 1.2 million in October 1946 and the 1937-41 average of 2.9 million. Total cigar wrapper imports in January-November 1947 were 1.3 million pounds, almost one-fifth more than in the same period in 1946 but only about two-thirds as much as the 1937-41 average.

The domestic cigar wrapper types will continue to be vital to cigar manufacturing in this country since Sumatra and Java wrapper tobacco is not expected to get back to prewar volume for the next 2 or 3 years. Domestic wrapper production in 1947 was the highest since 1929, and use in the year ending June 1947 was the highest since 1924. Cigar manufacturing is expected to be at least as high or a little higher in 1948 than last year.

The United States Department of Agriculture has suggested that the 1948 Connecticut Valley wrapper (type 61) acreage be the same as the 1947 harvested acreage and that Georgia-Florida wrapper (type 62) acreage be increased 10 percent.

GENEVA TRADE NEGOTIATIONS

Foreign trade in tobacco is affected by agreements reached at Geneva last year and made effective in part on January 1. Among the provisions agreed upon were concessions by the United States to reduce duties on several classes of leaf tobacco and tobacco products. Duties on cigar wrapper leaf from Cuba and cigarette leaf were unchanged but cannot be raised during the life of the agreement. The United States also agreed to eliminate the duty preference quota of 22 million pounds that had been in effect on Cuban cigar filler and scrap tobacco. Smoke-cured Latakia and similar tobacco were put in a new tariff class with a lower duty.

The United Kingdom agreed not to increase existing Empire preference and also to reduce the preference on tobacco from Empire areas if duties on leaf from non-Empire areas are lowered. In effect, this sets up a schedule in which duties 1/ on Empire leaf would be 31 cents less than non-Empire duties when the non-Empire duties were between $9.10 and the current level of $11.05; would be 25 cents less when non-Empire duties were between $7.16 and $9.10; and would be 20 cents less when non-Empire duties were $7.16 or lower. Before April 16, 1947, the non-Empire duties were about $7.16 and the Empire countries had a margin of 31 cents.

The United Kingdom agreed not to increase, and further to reduce its preference on leaf and tobacco products imported by British Colonies if the United States held its consumption of synthetic rubber at no more than 25 percent of its total rubber consumption. For the Empire countries, such as Canada, New Zealand, and Australia, some reduction from existing duties and some elimination of Empire preference was negotiated.

For Netherlands, Belgium, and Luxembourg, which now represent a single customs area, the new tariff provides for elimination of preferences but no changes in duty rates.

In France tobacco imports are controlled by a Government monopoly. France has no duties on tobacco or its products. The Geneva agreement provides that the French tobacco monopoly shall import a minimum of 33 million pounds of leaf and about 3.1 million pounds of cigarettes from countries outside the French Union. However, if total leaf requirements in any single year exceed 132 million pounds, the additional imports shall be divided equally between French Union and outside countries.

Czechoslovakia is committed by the new agreement to continue its policy of not discriminating among countries in the purchase of leaf requirements.

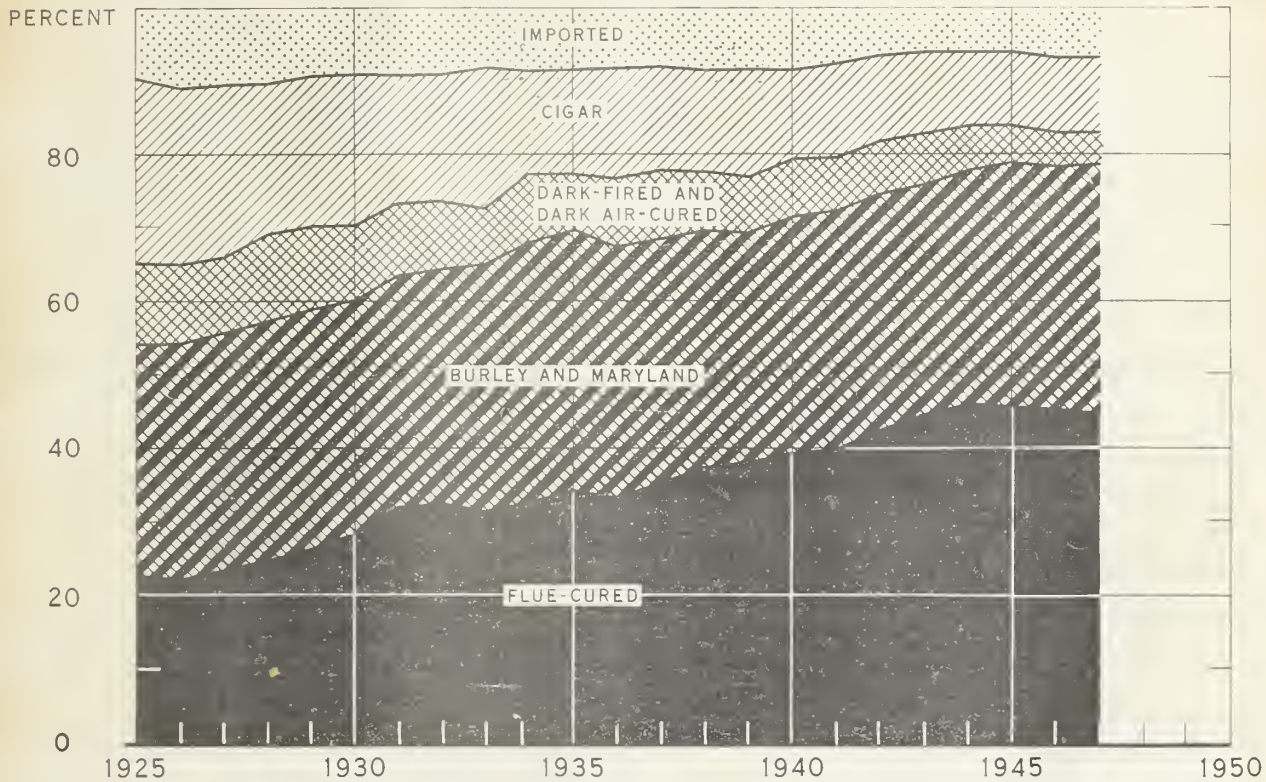
1/ All duties per pound of unstemmed leaf with 10 percent or more moisture and conversions based on average October 1947 exchange rate.

Table 7.- Internal Revenue collections from tobacco, 1930-47

Calendar year	Cigars 1/	Cigarettes 2/	Chewing and smoking	Snuff	Total 3/
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1930	19.4	358.9	59.0	7.4	446.2
1931	16.4	340.4	59.0	7.1	424.5
1932	12.6	310.6	56.2	6.6	387.3
1933	11.4	335.5	54.9	6.5	409.3
1934	11.9	377.5	55.3	6.7	452.4
1935	12.0	403.9	54.8	6.5	478.4
1936	12.9	459.5	55.7	6.9	536.1
1937	13.3	487.9	54.2	6.6	563.2
1938	12.7	491.3	55.1	6.7	567.1
1939	13.0	517.4	54.5	6.8	593.2
1940	13.1	569.3	54.8	6.8	645.5
1941	14.1	670.9	53.8	7.1	747.7
1942	16.9	782.2	50.5	7.4	858.6
1943	28.6	904.2	47.4	7.8	989.5
1944	33.6	837.6	45.3	7.6	925.4
1945	38.2	937.2	48.6	7.9	1,034.2
1946	47.5	1,125.2	38.0	7.1	1,218.4
1947	47.1	1,175.9	35.9	7.1	1,266.7
	Percent of total				
1930	4.3	80.4	13.2	1.7	100.0
1931	3.9	80.2	13.9	1.7	100.0
1932	3.3	80.2	14.5	1.7	100.0
1933	2.8	82.0	13.4	1.6	100.0
1934	2.6	83.4	12.2	1.5	100.0
1935	2.5	84.4	11.5	1.4	100.0
1936	2.4	85.7	10.4	1.3	100.0
1937	2.4	86.6	9.6	1.2	100.0
1938	2.2	86.6	9.7	1.2	100.0
1939	2.2	87.2	9.2	1.1	100.0
1940	2.0	88.2	8.5	1.1	100.0
1941	1.9	89.7	7.2	.9	100.0
1942	2.0	91.1	5.9	.9	100.0
1943	2.9	91.4	4.8	.8	100.0
1944	3.6	90.5	4.9	.8	100.0
1945	3.7	90.6	4.7	.8	100.0
1946	3.9	92.4	3.1	.6	100.0
1947	3.7	92.8	2.8	.6	100.0

1/ Includes small cigars, and cigar floor-taxes. 2/ Includes large cigarettes and cigarette floor-taxes. 3/ Total includes cigarette papers and tubes and leaf dealer penalties not shown separately in this table.

PERCENTAGE DISTRIBUTION OF UNITED STATES TOBACCO CONSUMPTION BY MAJOR GROUPS OF TYPES, 1925-47



DOMESTIC DISAPPEARANCE OF U. S. TYPES ON FARM-SALES WEIGHT BASIS ADJUSTED TO CALENDAR YEAR TOTALS AND UNSTEMMED WEIGHT BASIS, AND IMPORTS ALSO ADJUSTED TO UNSTEMMED WEIGHT

U S DEPARTMENT OF AGRICULTURE NEG. 46638 BUREAU OF AGRICULTURAL ECONOMICS

The domestic use of flue-cured leaf 1943-47 was 45 percent of total United States tobacco consumption compared to slightly less than 25 percent in 1925-29. Burley and Maryland combined fluctuated narrowly between 31 and 35 percent of the total during the last quarter century. Dark-fired and dark air-cured have diminished steadily from around 11 percent of the total in 1925-29 to less than 5 in recent years. Cigar tobacco in the late twenties was more than one-fifth of the total but averaged about one-tenth of the total in 1943-47. Imported tobacco made up 10 percent of the total use in 1925-29 and only a little more than 6 percent in 1943-47. Annual use of domestic tobacco (including Puerto Rican) in United States manufactures increased from about 800 million pounds (farm-sales weight) in 1925-29 to approximately 1,375 million pounds in 1943-47 while tobacco imports were about 78 million pounds (declared weight) in both periods.

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Table 8.-Tax-paid withdrawals of tobacco products in the United States calendar years 1945, 1946, and July-December 1946-47 1/

Products	Calendar year			July - December		
	1946	1947	Change	1946	1947	Change
	Millions	Millions	Percent	Millions	Millions	Percent
Small cigarettes	321,474	335,964	+4.5	164,427	173,181	+5.3
Large cigarettes	1.0	.5	-50.0	2/	2/	-45.5
Large cigars	5,914	5,631	- 4.8	3,036	2,920	- 3.8
Small cigars	93	81	-12.9	45	38	-15.6
Snuff 3/	39.7	39.3	- 1.0	19.6	19.6	-0-
Manufactured tobacco 3/	211.1	199.2	- 5.6	111.8	108.0	- 3.4

1/ Based on sales of revenue stamps, and includes products from Puerto Rico.
2/ 449,664 in 1946 and 245,264 in 1947.
3/ Million pounds.

Table 9.-Production of manufactured tobacco in the United States calendar years 1945 and 1946, and Jan.-Oct. 1946 and 1947

Manufactured tobacco	Calendar year			Jan. - Oct.		
	1945	1946	Change	1946	1947	Change
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Smoking	168,627	105,929	-37.2	87,252	89,692	+ 2.8
Plug	59,637	51,796	-13.1	44,200	40,269	- 8.9
Twist	6,691	5,772	-13.7	4,912	4,335	-11.7
Fine cut	4,040	3,771	- 6.7	3,160	3,097	- 2.0
Scrap chewing	47,807	46,155	- 3.5	38,936	35,558	- 8.7
Snuff	43,834	39,433	-10.0	32,798	33,174	+ 1.1